

**SKYLINE HOSPITAL**  
**POLICY & PROCEDURES**

DEPARTMENT: Patient Accounting

Date: 12-1-2000

SUBJECT: FINANCIAL ASSISTANCE

Original: 5-1-1991  
Reviewed: 11-28-2000  
07-01-2003  
1-19-2014  
9-10-14  
Revised: Yearly for Poverty  
Guidelines

The poverty guidelines which are listed in this policy & procedure will be adjusted each year.

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SKYLINE HOSPITAL is committed to the provision of health care services to all persons in need of medically necessary care regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of financial assistance and charity care, consistent with the requirements of the Washington Administrative Code (WAC), Chapter 246-453, are established. These criteria will assist staff in making consistent objective decisions regarding eligibility for financial assistance and charity care while ensuring the maintenance of a sound financial base.

Purpose: To comply with the Department of Health and the Washington State Hospital Association guidelines on procedures and criteria for identifying charity care patients.

"FINANCIAL ASSISTANCE", formerly known as charity care means necessary hospital health care rendered to indigent persons, as defined in this section, to the extent that these persons are unable to pay for the care or to pay the deductibles or coinsurance amounts required by a third-party payer, as determined by the department.

"Indigent" means lacking the means to live; poor or needy. It is further defined as those patients who have exhausted any third-party sources, including Medicare and Medicaid, and whose income is equal to or below 200% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductible or coinsurance amounts required by a third-party payor.

The Washington State Hospital Association states in their manual:

Financial Assistance Criteria:

The language of Article 8, Section 7 prohibits gifts of public money except for certain things, including "necessary support of the poor and infirm". Washington charity care statutes and regulations clearly define hospital financial assistance as applying to the rendering of necessary health care services to the uninsured, poverty population.

Financial Assistance and charity care shall be limited to "appropriate hospital-based medical services" as defined in WAC 246-453-010(7). Skyline Hospital may choose to provide financial assistance and charity care for additional types of medical services, if deemed to cause catastrophic circumstances to a customer.

**Patients will be granted financial assistance and charity care regardless of race, creed, religion, color, national origin, sex, sexual orientation, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a disabled person.**

Financial assistance and charity care for "non-emergent" services shall be limited to those residing within Skyline Hospital's designated service area.

Notice shall be made publicly available that charges for services provided to those person meeting the criteria established within WAC 246-453-040 may be waived or reduced. Signs will be posted in the front public lobby and Emergency Room with this notification as well as written notification included in the admission packet. Notification for outpatients will be included on the Conditions of Services form which is signed by each patient.

## **ELIGIBILITY CRITERIA**

Financial Assistance is generally secondary to ALL other financial resources available to the patient, including:

Group Plans, Individual medical plans, Worker's Compensation, Medicare, Medicaid, Medical Assistance Programs, Federal, Military, Third-Party Liability, any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services.

In those situations where appropriate primary payment sources are not available, patients shall be considered for charity care under this hospital policy based on the following criteria as calculated for the 12 months prior to the time of service.

From the Federal Register, the 2014 Federal Poverty Guidelines for all states except Alaska and Hawaii and The District of Columbia:

Size of Family	Poverty Guideline
1.....	\$ 11,670
2.....	15,730
3.....	19,790
4 .....	23,850
5 .....	27,910
6 .....	31,970
7 .....	36,030
8 .....	40,090

For family units with more than 8 members, add \$4,060 for each additional member.

These guidelines go into effect on the day they are published in the Federal Register with the exception of Hill Burton hospitals, which are effective sixty days from the date of publication.

The poverty guidelines will be revised on a yearly basis, from the information given by the Federal Register.

In the event that the responsible party's identification as an indigent person is obvious to hospital personnel, and the hospital personnel are able to establish the position of the income level within the broad criteria described in WAC 246-453-040, the hospital is not obligated to establish the exact income level or to request the aforementioned documentation from the responsible party, unless the responsible party requests further review. In the event the responsible party is not able to provide any of the

documentation described below, the hospital shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person. This determination will be approved by administration.

## **SLIDING FEE SCHEDULE**

- A. A service area resident whose family income is between one hundred and three hundred percent of the federal poverty standard, adjusted for family size, shall have his/her hospital services that are not covered by public or private sponsorship reduced according to the schedule below. The resulting responsibility may be adjusted by appropriate hospital personnel, after taking into consideration the individual financial obligation, which remains after the application. The amount owing, based on this sliding fee schedule may be payable in monthly installments, over a reasonable period of time.

### ***INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL***

### ***PERCENTAGE DISCOUNT***

100%	100%
120%	90%
140%	80%
160%	70%
180%	60%
200%	50%
220%	40%
260%	25%
280%	20%
300%	15%

## **ELIGIBILITY DETERMINATION**

Identification of Potential Financial Assistance to Patients:

- During the Patient Registration process, Skyline Hospital will make an initial determination of eligibility based on verbal or written request for charity care. The primary focus will be for the hospital service area, which includes Klickitat, Skamania, Hood River and Wasco Counties. Pending the final eligibility determination, Skyline Hospital will not initiate collection efforts, provided that the responsible party is cooperative with the hospital's efforts to reach a determination of sponsorship status, including return of applications and documentation necessary to make this determination within **fourteen (14) days of receipt** of the application or such time as the person's medical condition may require. In the event of extenuating circumstances, such time as may reasonably be necessary to secure and present documentation may be granted if approved in advance by the CFO or Controller.

The hospital shall use an application process for determining initial interest in and qualification for charity care. Should patients not choose to apply for charity care, they shall not be considered for charity care, unless other circumstances or intent become known to Skyline Hospital.

- Financial Assistance screening forms and Credit applications shall be furnished to patients when financial assistance is requested. When the need is indicated, or when financial screening indicates potential need, ALL applications, whether initiated by the patient or the hospital shall be accompanied by documentation to verify income amounts indicated on the application form. One of more of the following types of documentation may be acceptable for purposes of verifying income:
  - W-2 statement for all employment during the previous tax year.
  - Payroll check stubs for 12 months prior to the time of service.
  - Tax Return form for the most recent filed calendar year.
  - Forms approving or denying eligibility for their state Medicaid program.
  - Forms approving or denying Unemployment Compensation Benefits.
  - Bank Statements to verify income.
  - Written statements from employers or welfare agencies.

Skyline Hospital shall make every reasonable effort to determine the existence of private or public sponsorship which might cover, in full or in part, the charges for the care rendered by the hospital to a patient; the family income of the patient as classified under federal poverty income guidelines; and the eligibility of the patient for financial assistance as defined in WAC 246-453-040 and accordance to our policy.

3. Time Frame: Skyline Hospital shall provide final determination within Fourteen (14) days of receipt of all application and documentation material.
4. Denials: Denials will be a written notification which includes instructions for an appeal and the basis for the denial as follows:
  - a) The Patient or Guarantor may appeal the determination of eligibility for financial assistance by providing additional verification of income or family size to the Credit and Collection Representative within (30) thirty days receipt of notification of denial. Collection efforts will cease if an appeal has been filed.
  - b) The CFO or Controller of Fiscal Services will review all appeals. If this determination affirms the previous denial of charity care, written notification and the basis for the denial will be sent to the patient/guarantor and the Department of Health, in accordance with Washington State Law. Within the first fourteen days of this appeal period, the hospital will not refer the account at issue to an external collection agency. After the fourteen day period, if no appeal has been filed, the hospital may initiate collection activities.
  - c) If the appeal determination by the CFO or Controller finds that the patient has met the charity care criteria at the time the services were provided, any payments in excess of the amount determined to be appropriate in accordance with WAC 246-453-040 shall be refunded to the patient within thirty days of achieving the charity care designation. All collection efforts will cease.

## **DOCUMENTATION AND RECORDS**

### **CONFIDENTIALITY**

All information relating to the application will be kept in strict confidence. Copies of documents that support the application will be kept with the application form.

Documents pertaining to financial assistance shall be retained for Seven (7) years.